

Commodity Credit Corporation, USDA

§ 1421.104

county average marketing assistance loan rate.

(3) With respect to commodities harvested, excluding silage or hay, as other than grain and pledged as collateral for a nonrecourse marketing assistance loan, the marketing assistance loan rate shall be discounted to 30 percent of the base county loan rate.

(4) With respect to farm-stored wheat, the basic county marketing assistance loan rate shall not be adjusted to reflect the protein content.

(5) With respect to Segregation 2 and 3 peanuts as determined by CCC, the marketing assistance loan rate shall be discounted to 35 percent of the applicable loan rate.

§ 1421.103 Approved storage.

(a) Approved farm storage is:

(1) A storage structure located on or off the farm, (excluding public warehouses that do not enter into an agreement with CCC), that CCC determines to be controlled by the producer which affords safe storage of collateral pledged for a marketing assistance loan;

(2) If determined and announced to be available in a State or county, on ground storage and other temporary storage structures approved by CCC.

(3) As determined by CCC, temporary approved storage may also include:

(i) On-ground storage or;

(ii) Other storage arrangements.

(b) CCC may reduce the quantity of a commodity pledged as collateral for a loan made available under paragraph (a)(2) of this section to not more than 75 percent of such otherwise eligible quantity in order to protect the interests of CCC. CCC may also limit the length of time the commodity may be stored on-ground or in temporary structures to not more than 90 days. A marketing assistance loan made with respect to such commodity which is not moved to a structure specified in (a)(2) within 90 days of the date the loan was disbursed may be called by CCC.

(c) Approved warehouse storage shall consist of a public warehouse for which a CCC storage agreement for the commodity is in effect that is approved by CCC for price support purposes. Such a warehouse is referred to in this by part

as an approved warehouse. The names of approved warehouses may be obtained from the FSA, Kansas City Commodity Office, P.O. Box 419205, Kansas City, Missouri 64141-6205, from State and county offices, or at the FSA web site on the Internet.

§ 1421.104 Marketing assistance loan making.

(a)(1) CCC will conduct lien searches with respect to all commodities pledged as collateral for marketing assistance loan disbursements in amounts greater than \$25,000 and perfect its security interest in such commodity as provided for under State law. With respect to marketing assistance loan disbursements of \$25,000 or less, CCC may conduct a lien search when it is determined that CCC's interest is at risk and perfect its security interest in such commodity as provided for under State law. In all instances, if a producer has violated the provisions of this part in the crop year preceding the crop year in which the marketing assistance loan is being requested, CCC will conduct a lien search with respect to all commodities pledged as collateral for a marketing assistance loan and perfect its security interest in such commodity as provided for under State law.

(2) The cost for terminating the financing statement for marketing assistance loans disbursed under paragraph (a)(1) of this section before the end of the term shall be paid by the producer.

(3) If there are any liens or encumbrances on the commodity pledged as collateral for a marketing assistance loan made under this part, waivers that fully protect CCC's interest must be obtained even though the liens or encumbrances are satisfied from loan proceeds disbursed under this part. No additional liens or encumbrances shall be placed on the commodity after such a loan is approved.

(b) Fees, charges, and interest must be paid by the producer to CCC at a rate CCC determines. Such fees, charges, and interest include:

(1) A non-refundable loan service fee;

(2) Interest that accrues on a loan under part 1405 of this chapter;